welcome
STEARNES ELECTRIC
MEMBER-CONSUMER

MEMBER HANDBOOK
YOU HELP POWER A COMMUNITY

STEARNES ELECTRIC
ASSOCIATION™
Your Touchstone Energy® Cooperative
As CEO of Stearns Electric Association, I want to welcome you on behalf of your Board of Directors, staff and employees.

When you applied for electric service you became a member-consumer of Stearns Electric Association. You are now more than an electric consumer; you are part owner of the 9th largest member-owned electric Cooperative in the state.

Since 1937, Stearns Electric Association has provided electricity and related products and services to Central Minnesota. Today, Stearns Electric Association serves over 27,000 accounts in six Central Minnesota counties including Stearns, Todd, Morrison, Kandiyohi, Pope and Douglas. Stearns Electric is also one of over 750 Touchstone Energy® Cooperatives in the United States, dedicated to providing high standards of service to their members and communities.

This handbook is designed to help you better understand your role as a member of Stearns Electric Association. Think of it as an owner's manual. Inside this handbook, you will find information explaining how you can make the most of your membership.

Please look over this information and store it in a convenient location for future reference. Additional information on material covered in this handbook may be viewed on our website at www.stearnselectric.org.

If you have a question that is not addressed in this handbook, please don’t hesitate to contact us. We always look forward to serving you.

Robin Doege, Chief Executive Officer
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CONTACT US

MELROSE HEADQUARTERS
Kraft Drive SE, PO Box 40
Melrose, MN 56352
Phone: (800) 962-0655
Fax: (320) 256-3618

ST. JOSEPH BRANCH OFFICE
29643 Frontage Road, PO Box 816
St. Joseph, MN 56374
Phone: (800) 962-0655
Fax: (320) 363-4631

OFFICE HOURS
MELROSE HEADQUARTERS: Monday through Friday 7:30 a.m. - 4 p.m.
Payment Drop Box Available

ST. JOSEPH BRANCH OFFICE: By Appointment
Payment Drop Box Available

OUTAGES
In the event of a power outage, please call (800) 962-0655 or use SmartHub to report your outage, 24-hours a day. More details on page 8.

WEBSITE
Stearns Electric Association’s website is continually updated to include valuable information that is beneficial to you. You can also manage your account online. Many secure interactive features are available so you can conduct your business with us any time of the day.

www.stearnselectric.org

LIKE US ON FACEBOOK
www.facebook.com/stearnselectric
MISSION

Our mission is to safely provide competitively priced and reliable electric service, beneficial energy solutions and a positive member experience.

OUR VALUES:

DEDICATED SERVICE TO OUR MEMBER-CONSUMERS
ADHERENCE TO COOPERATIVE PRINCIPLES
RESPECT FOR OTHERS
MEANINGFUL COMMUNITY INVOLVEMENT
SOUND BUSINESS ETHICS
COMMITMENT TO EMPLOYEE AND PUBLIC SAFETY
ACCOUNTABILITY
COOPERATIVE DIFFERENCE
You set up your electric service account with Stearns Electric and thought to yourself, “That’s done. Now I just have to pay my monthly bill.” But the truth is we’re more than just a utility provider that you pay each month for electricity.

We’re a Cooperative, and that makes us different. What makes being a member of an electric cooperative unique you ask?

WE’RE ALL IN THIS TOGETHER.
You are a member of Stearns Electric – not a customer. And that means you have a voice when it comes to the way we do business. Each spring you have the option to vote for your Board of Directors. These directors play a key role in making important decisions for your Co-op, which is why members’ voices must be heard.

WE’RE LOCAL.
It’s likely that you know an employee of Stearns Electric. Our employees – your friends and neighbors – share the same concerns for our community that you do. Each year, the Cooperative participates in a number of community involvement projects like our school safety demos, energy efficiency grants, community sponsorships, high school and college scholarships, Operation Round Up® donations and much more.

WE’RE NOT-FOR-PROFIT.
We don’t offer profits to investors—we return money over and above operating costs to you, our members, based on electricity consumption.

As an owner of the Cooperative you are entitled to share in what is left over after all expenses are paid. Your share of these margins is called Capital Credits. At the end of the year, net margins are allocated to members based on the amount of electricity purchased by their account during the year. The Board decides when to retire Capital Credits based on the Cooperative’s financial condition. In the meantime, Stearns Electric uses the money as working capital for operating and reinvesting in the Cooperative.

WE’RE HERE FOR YOU.
We care about our members’ quality of life, which is why our employees are continuously finding innovative ways to improve our service and provide you with energy saving programs. We welcome your thoughts and ideas for how we can continue to serve you better.

Member-consumers like you have a role to play in all of these areas, but it is participation and member engagement that is critically important.

Back in the early days, we never could have existed without the active participation of all of our members. While technology and reliability have improved, we still need you to be involved. In many ways, it is more important than ever that you feel like you belong to your Co-op.
MEMBERSHIP GUARANTEE

SERVICE FIRST
When you contact our office with any service or billing related question, we will respond within two working days, guaranteed. This is our commitment to superior customer service. If we fail, we'll apply a $20 credit to your electric service account.

COURTESY
Our staff is here to help you. If you are ever treated in a discourteous manner, your next month’s fixed charge is on us.

SECURITY LIGHTS
If you have a Stearns Electric Association owned security light it is important to let us know if it is not working properly. If it fails, we will have it fixed within two working days from the time you notify us. If not, your following month’s security light billing is free.

NEW CONNECTIONS
We will always make every effort to have your new service built on time. If a mutually acceptable construction deadline is not met, your fixed charge will be FREE for the first year of service.

SATISFACTION GUARANTEED
Our bottom line is your satisfaction. Any time you feel that we have not performed up to your expectations, let us know. Our goal is simply to maintain the highest standard of service in the industry.

WHOLESALE POWER
Stearns Electric Association is a member of another cooperative, Great River Energy (GRE) of Maple Grove, Minnesota. GRE is our generation and transmission cooperative and delivers wholesale electric power to our substations. From the substations, Stearns Electric Association distribution lines carry the power to your home or business. GRE serves some of the fastest growing regions in Minnesota.

ENVIRONMENTAL LEADERSHIP
Great River Energy’s headquarters is one of the most energy-efficient and sustainable buildings in the country. It is part of Great River Energy’s promise to practice, as well as promote, energy conservation in Minnesota.
Stearns Electric Association is a democratically-controlled business, meaning the Cooperative is governed by local people, just like you and elected by you. With members in charge, you can feel confident that Board decisions are made in the best interest of you and your community.
POWER OUTAGES
Stearns Electric Association works diligently to maintain consistent power quality and reliability. However, with thousands of miles of power line exposed to the elements, trees and small animals, power outages do occur. And when they do, it is incredibly important that members report an outage because it is simply the fastest way to locate an outage cause and get the problem resolved.

As member-consumers, it's important for you to be informed of the facts and details pertaining to major power outages that affect you.

CALL TO REPORT AN OUTAGE
(800) 962-0655

REPORT AN OUTAGE ONLINE
www.stearnselectric.org

Create a SmartHub account to report an outage online or via your mobile device. All you have to do is login and click on the Report an Outage link. Download the SmartHub app from Apple App Store or Google Play Store.

When there is a major storm or large outage, Stearns Electric Association receives a high volume of calls and has an automated call handling system with voice recognition capability to help make the process of reporting an outage faster and easier in these situations. If your call is answered by this system, an automated phone attendant will lead you through the process of reporting the outage.

Quick service is our goal, so always have your account number ready. That’s your personal identification number.

If you have more than one account or your phone number is not listed in our database, be sure to give the account number (found on your bill) where the outage is located. If you have any information about the cause of the outage, such as a lightning strike or tree on the line, please report the information.
But before you call, do some troubleshooting.
• Make sure the trouble is not in your wiring, fuse, or breaker. We do charge for service calls, if the problem is with your equipment.
• Find out if your neighbors have power. That helps us isolate the problem.

CRITICAL MEDICAL ACCOUNTS
For members who have a severe medical condition and depend on electricity to power life support equipment, an outage can present a hardship. We advise those members to plan ahead and be prepared in the event of an outage. We recommend that you consider a generator, an alternate form of power, or make advanced arrangements to get to a facility that has backup generation.

To support the needs of households where life support equipment is used, the Cooperative maintains a list of critical medical accounts. Critical medical accounts are identified to serve as a reference for determining priorities in the effort to restore service in the event of widespread or prolonged outages affecting the Cooperative’s system.

Placing your account on our critical medical account list does not guarantee uninterrupted service, prevent electric service disruption, or relieve your responsibility to maintain an account in good standing. Nor does the list guarantee that members will have their service restored following a power outage without consideration for the greater good and safety of the general public.

If you or someone in your home depends on such equipment, don’t wait until the power goes off to request to be put on this list.

OUTAGE CAUSES
Sometimes outages are caused by a bird or squirrel. Other times, it may be a vehicle accident, a fallen tree, an accidental cable dig-in, or equipment that has failed, among many other reasons.

Overall, Stearns Electric Association has an excellent outage record. On average members have power 99.98% of the time.

When a crew is dispatched and the member’s equipment is determined to be at fault, the member will be charged for each occurrence outside regular working hours.
YOUR ELECTRIC BILL

RATES
Rates, or the price a member-consumer pays for electricity, are determined by Stearns Electric Association’s Board of Directors (see page 7) and are reviewed by the Rural Electrification Administration. As a not-for-profit cooperative, our rates are designed simply to cover the costs of wholesale power, transmission and distribution related costs, and provide adequate margins. Rates may be viewed online at www.stearnselectric.org.

FIXED CHARGE
Stearns Electric Association has a monthly fixed charge that helps cover the basic cost of service and is charged to all members.

POWER COST ADJUSTMENT (PCA)
A PCA may be implemented each month to deal with fluctuations in wholesale power costs while keeping the base rate stable. The PCA is intended to reflect wholesale electricity costs.

UNDERSTANDING YOUR BILL

A. Your account number. This provides our office with the fastest means of accessing your account information. You will need this to make payments over the phone or to register for SmartHub, in order to report outages, make payments, and view your usage online or via a mobile device.

B. The amount to be paid on or before the due date.

C. Payment due date or bank draft date. Payment must reach the office on or before this date to avoid a late charge.

D. To make a payment over the phone, call SecurePay, our secure automated phone payment system 24 hours a day, 7 days a week.

E. Our phone numbers and e-mail address for your inquiries.

F. Dates of service covered by this bill.

G. This box will contain important information and announcements such as credit card expiration notices, event announcements, new service options, and if applicable, delinquent account information.

H. The Power Cost Adjustment is an adjustment on your monthly rate and is implemented to deal with fluctuations in wholesale power costs while keeping the base rate stable.

I. Please make sure that your contact information is current and correct; including your home and cell number. When you report an outage our automated system can identify your service by the number you are calling from. In addition, the Co-op uses this information to contact you regarding any billing, usage or account issues.
THE BACK OF YOUR BILL:
On the back of your bill you will find graphical representation of your usage, online account access information, payment option descriptions, power outage reporting options, and other Cooperative information.
ONLINE ACCOUNT MANAGEMENT

With SmartHub, the power of data is in your hands through convenient account management and detailed usage information. SmartHub is a mobile and web application that delivers accurate, timely account information and allows you to make payments in a secure environment, right from your mobile device or on your computer.

Sign up for SmartHub today to access your account information 24 hours a day, 7 days a week. This service provides you with many features you have come to expect from online bill pay services. In addition to viewing and paying your current bill online, members can also look back at previous bill statements, monitor your electric usage, notify Stearns Electric of account issues, sign up for alerts and report your power outage.

SmartHub also gives you the option to go completely paperless. If you sign up for this feature you will receive an e-mail each month letting you know your bill is ready to view.

To sign up, visit www.stearnselectric.org and under My Account you’ll find SmartHub. Follow this link to register. You’ll need to provide your e-mail address and your account number.

PAYMENT OPTIONS
(CASH, CHECK, VISA, MASTERCARD, DISCOVER)

1. **AUTOPAY**: Automatic electronic transfer from your designated checking account, savings account, debit card or major credit card.

2. **PAY ONLINE**: Log into your SmartHub account to make a payment or make a quick, one-time payment with PayNow.

3. **PAY BY PHONE**: Call SecurePay, our secure automated phone payment system 24 hours a day, 7 days a week at (855) 386-9908.

4. **PAY BY MAIL**: Mail a check (DO NOT SEND CASH) with your bill stub using the envelope provided with your bill to: Stearns Electric Association, PO BOX 40, Melrose, MN 56352.

5. **PAY IN PERSON**: Visit our Melrose location during business hours. Convenient drop boxes are available at both the Melrose Headquarters and St. Joseph Branch Office.

For more details or to sign up for any of these payment options, visit www.stearnselectric.org/account-services/billing-information, call our Billing Department, or e-mail billing@stearnselectric.org.
PAYMENT TERMS
Stearns Electric members receive a statement for electric service each month. The net amount of the bill is payable by the 25th of each month to avoid a late payment penalty charge. The due date is printed on the bill each month.

LATE PAYMENTS
Bills not paid by the due date are subject to a penalty equal to 4 percent of the current charges. Any unpaid balance remaining after the due date shall be classified as delinquent. A notice requesting payment will appear on the next billing statement and a final disconnect notice will be issued just before the new billing cycle. Seven days, or 20 days during the MN Cold Weather Rule, from the first notice of delinquency, all accounts with delinquent balances will be subject to disconnect. To avoid disconnection following the notice, payment must be made in full, including all penalties or charges.

Contact Stearns Electric if you cannot pay your energy bill by the due date and our staff will discuss suitable payment arrangements.

RETURN CHECK CHARGE
Stearns Electric will assess a handling and service charge to a member’s account when a check is returned to the Cooperative by a bank. The Co-op reserves the right to demand payment only by cash, money order, bank draft, etc., after receiving two defaulted checks from a member in a 12-month period.

SALES TAX EXEMPTIONS
Electricity purchased for residential use by members who are billed as residential users and use electricity for their primary source of residential heat are exempt from state sales tax for the billing months of November through April. In addition, electricity purchased for use in agricultural and industrial production is exempt from state sales tax. Exemption forms are available through the Co-op’s Billing Department.

STEARNS ELECTRIC ASSOCIATION SERVICE CHARGES
Account transfer fee $25.00
Reconnection fee (8 a.m. - 4 p.m.) $75.00
After hours reconnection fee (after 4 p.m. and weekends) $275.00
Non-sufficient fund check (paper or electronic) $20.00
Recurring Credit Card Decline $20.00

RECONNECTION SECURITY DEPOSIT
In the event that a Stearns Electric member is disconnected and contacts the Co-op for reconnection, a reconnection security deposit equal to one month’s average bill will be required. The deposit will be kept until the account has been current for one year. A reconnection security deposit is in addition to any reconnect fees that apply at the time of reconnect.
ENERGYWISE® PROGRAMS | SAVE ENERGY, SAVE MONEY

More than ever, electricity powers our lives. And in the years to come, it will be the smart use of electricity that plays a key role in solving our shared energy challenges. After all, the greatest source of energy for the future is using it as wisely as possible today.

The easiest and best way to save money on your energy bill is to join Stearns Electric Association’s EnergyWise® Programs.

Depending on the program you choose, you can qualify for cash rebates, monthly credits or almost half-price electricity. More than a third of Stearns Electric Association members enjoy the savings and convenience of off-peak electricity. EnergyWise® Programs reduce the amount of wholesale energy the Co-op needs to purchase during peak use periods. We pass these savings on to you through lower rates. This helps keep electric rates stable for the long term.

For more information about individual programs or Energy Star® appliance rebates, contact the Stearns Electric Association’s Energy Services Department, at (800) 962-0655.

ENERGYWISE® CYCLED AIR CONDITIONING

This EnergyWise® program conserves energy by cycling air conditioners, 15 minutes on, 15 minutes off, when there is a peak demand for electricity. These peak demands usually occur on the hottest days of the summer, in the late afternoon through early evening. The rest of the day your air conditioner operates as normal.

ENERGYWISE® DUAL FUEL HEATING

To qualify for this EnergyWise® program you must have two sources of heat; one electric and one alternative source. The electric heat is your primary heating source and is supplemented during peak demand periods with the alternative heat source – such as natural gas, propane, electric storage heating, or fuel oil.
**ENERGYWISE® STORAGE HEATING**
This EnergyWise® program helps conserve energy by charging your electric heating system during off-peak hours when electric costs are lowest. From 11 p.m. to 7 a.m. each day, your Storage Heating System will charge. This system will then heat your home all day long.

**ENERGYWISE® STORED WATER HEATING**
This EnergyWise® program conserves energy and reduces your energy costs by heating your water during off-peak hours when electric costs are lowest. For example, on weekdays your water heater will heat between 11 p.m. and 7 a.m.

**ENERGYWISE® PEAK SHAVE WATER HEATING**
The Peak Shave Water Heating program is designed to reduce demand on the electrical system on days of high demand, high wholesale energy prices, and system emergencies, ultimately helping to keep energy rates low. Water heaters enrolled on this program are only controlled for up to 8 hours on peak days.

**ENERGYWISE® REBATES**
Stearns Electric offers a variety of rebates when you enroll in an EnergyWise® program or make an energy efficient improvement to your home or business. A complete list of current rebates can be found at www.stearnselectric.org.

**INTERRUPTIBLE IRRIGATION PROGRAM**
This program is designed to help reduce the electric load during times of peak demand. Participating members allow their irrigation system to be shut down in the early evening on days that there is a large demand for energy. This normally will be from 4 p.m. to 8 p.m. The system may be controlled only one time in a 24 hour period and will be reenergized by 9 p.m. any time there is a control. For participating, the member receives a discount on the energy rate and demand charge for that system.

**GENERATOR BACKUP PROGRAM**
The generator back-up program helps farmers and commercial members lower energy costs. During periods of peak demand, our system may require more power than is normally available. By participating in the Generator Backup Program, you help reduce the amount of electricity our members need during these critical times by allowing Stearns Electric Association to interrupt your electric service and automatically switch load onto your backup generator. In return, participants receive a lower energy rate.
Stearns Electric Association, along with thirteen other electric cooperatives in the region, provide home, farm and business security protection through a company called Heartland Security Services.

Heartland Security Services offers more than just burglar alarms. It is the cooperative link to security in every sense with the following comprehensive set of features available:

- Motion Sensors
- Smoke Sensors and Carbon Monoxide Sensors
- Door and Window Sensors
- Glass Break Sensors
- Freeze Sensors
- Temperature and Ventilation Sensors
- Medical Alert Pendants
- Smart Home Security

Stearns Electric Association members receive a 10% “Member Advantage” discount on security packages and monitoring. Call today for a free, no-obligation security analysis, (888) 264-6380.

We are pleased to offer our members the Co-op Connections Program! As a member of Stearns Electric you can receive discounts on products and services from participating retailers, as well as pharmacies. It’s absolutely free. To request a card or see a list of participating businesses visit www.stearnselectric.org.

Protect yourselves and your property against underground utility damage. Find out where the underground utilities might be buried before you begin excavation. This spring remember to call Gopher State One Call at (800) 252-1166, 48 hours prior to digging. Anyone working in Minnesota must call before excavating. It’s the law!

You’re not the only one affected when you cut a power line. For everyone’s sake, call before you dig!
OPERATION ROUND UP®

As a Stearns Electric member you have the opportunity to participate in Operation Round Up®, a program which provides financial assistance to worthwhile projects and charities in our communities.

Projects supported include: police and fire fighting equipment, life-saving equipment for rescue or ambulance squads, hospice programs, education scholarships, food shelves, crisis centers and assistance to members following an emergency.

Each month, Stearns Electric “rounds up” the electric bill of participating members to the next dollar. For example, if your monthly bill was $52.73, we would round it up to $53. The additional 27 cents would go to the Operation Round Up® fund.

The average monthly contribution per member is about 43 cents a month. Over 72% of member accounts contribute to the program annually. All contributions are tax-deductible. The fund is administered by the Stearns Electric Association Trust Board. The Trust Board is a group of members appointed by, but operating independently of, the Co-op’s Board of Directors. The Trust Board is responsible for evaluating funding requests and deciding how the funds will be distributed. The Bylaws allow the Trust Board to make donations to any worthwhile community cause, with the exception of political organizations or candidates.

All Stearns Electric members are automatically enrolled to participate in Operation Round Up, however, the program is voluntary. If you DO NOT wish to participate, you must complete and return the response form within this handbook or call our offices.
RENEWABLE ENERGY

COMMUNITY SOLAR

SolarWise is a community-based solar array designed to make it easy and affordable for our members to support an alternative, environmentally-friendly energy option. Become a part of the SolarWise Community by purchasing the output of one or more solar panels located in the community solar array at our St. Joseph Branch Office. Participating members receive a credit on their energy bill based on the output of the system.

WELLSPRING RENEWABLE ENERGY

Wellspring is Great River Energy’s renewable energy program. Great River Energy, Stearns Electric’s power supplier, along with its 28 member cooperatives, were the first utilities in the five state region to offer members the opportunity to purchase some of their energy through the Wellspring Renewable Energy Program. Stearns Electric Association members can participate voluntarily by agreeing to pay slightly more for every 100-kWh block of wind energy they purchase.

DISTRIBUTED ENERGY RESOURCES

With the increasing popularity of renewable energy, many members want to learn more about installing their own solar or wind generation system as a way to save money and protect the environment. Stearns Electric will help you to interconnect your own electric generation equipment with our system. We follow the Minnesota statewide standards for interconnection. There are policies, applications, forms and contracts available to assist you in this process on our website at www.stearnselectric.org.
STATEMENT OF NON-DISCRIMINATION

Stearns Electric Association is an equal opportunity provider and employer.

The Cooperative prohibits discrimination against its members, employees and applicants for employment on the basis of race, color, national origin, age, disability, sex, gender identity, religion, reprisal and where applicable, political beliefs, marital status, familial or parental status, sexual orientation, or all or part of an individual’s income is derived from any public assistance program, or protected genetic information in employment or in any program or activity conducted or funded by the Cooperative.

If you wish to file a Civil Rights program complaint of discrimination, complete the USDA Program Discrimination Complaint Form, found online at http://www.ascr.usda.gov/ad-3027-usda-program-discrimination-complaint-form, or at a USDA office, or call (866) 632-9992 to request the form. You may also write a letter containing all of the information requested in the form. Send your completed complaint form or letter by mail at U.S. Department of Agriculture, Director, Office of Adjudication, 1400 Independence Avenue, S.W., Washington, D.C. 20250-9410, by fax (202) 690-7442 or e-mail at program.intake@usda.gov.

CONDITIONS OF SERVICE

Use of electric service and/or a signed Application for Membership and Electric Service shall constitute the user as a Member of the Cooperative subject to its Articles of Incorporation, Bylaws, policies, rates, rules and regulations, and said user shall be responsible for payment of all electric service consumed.

NOTES